

Q2 2022 money manager M&A activity summary

Thirty-two money management deals took place in the second quarter of 2022. In the second quarter of 2021, there were 20 transactions. Assets under management involved in the latest quarter's transactions totaled \$1.65 trillion, up 103% from \$811.5 billion in the previous quarter. The dramatic increase in AUM was largely driven by Brookfield Asset Management's plan to spin off 25% of its stake in the asset management business at an \$80 billion valuation.

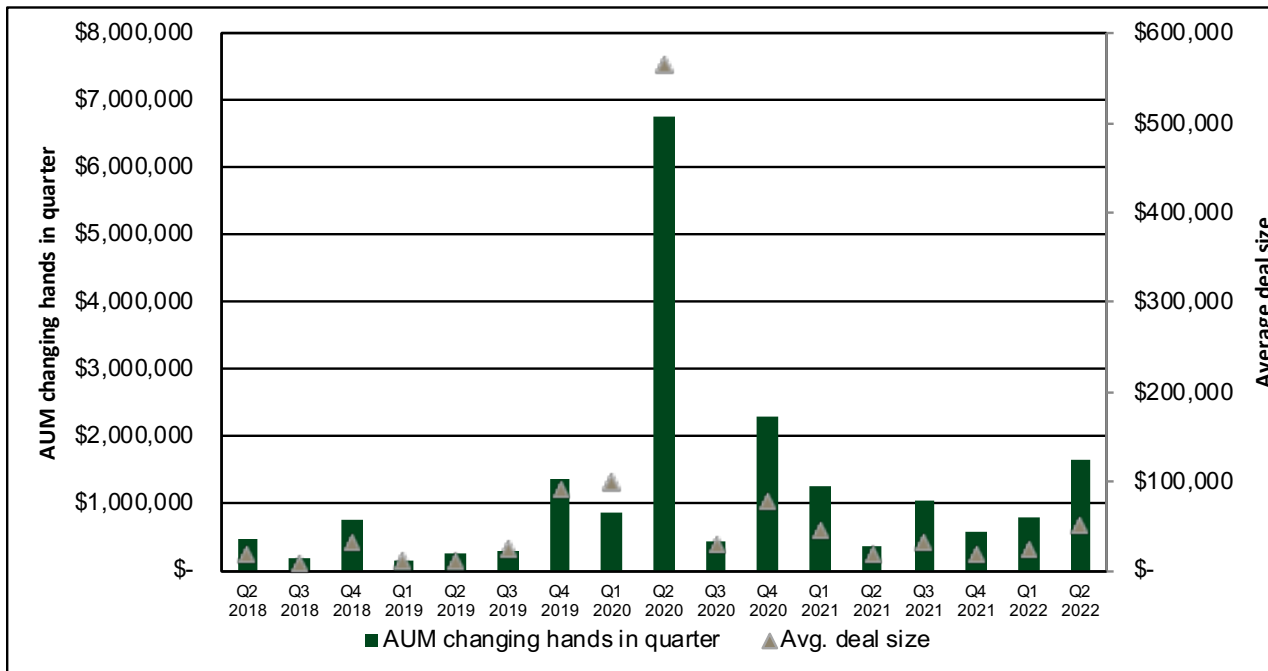
In the second quarter, Voya Financial agreed to acquire most of Allianz Global Investors' U.S. investment management business, and AllianzGI would acquire up to a 24% stake in Voya Investment Management. CI Financial announced its plan to list 20% of its \$133 billion U.S. wealth management business publicly.

Apollo Global Management will acquire a minority stake in Sofinnova Partners and invest up to \$1.05 billion in Sofinnova's investment funds. Ares Management Corp. will pay \$2.4 billion to purchase a middle-market lending portfolio from Annaly Capital Management. Franklin Templeton has entered into an agreement to purchase Alcentra for up to \$700 million from Bank of New York Mellon Corp. DigitalBridge Group agreed to purchase AMP Ltd.'s \$6.5 billion international infrastructure equity business for \$333.67 million. In a separate transaction, Dexus Funds Management agreed to acquire AMP Ltd.'s \$22.4 billion domestic real estate and infrastructure equity business for \$180.65 million.

There also were 11 deals in the quarter that did not involve money managers. Elon Musk agreed to purchase Twitter Inc. for \$44 billion to take the company private, making it one of the biggest leveraged buyout deals in history.

Caisse de Depot et Placement du Quebec will invest \$5 billion in Jebel Ali Port, the Jebel Ali Free Zone and the National Industries Park in Dubai through its joint venture with DP World and take ownership of up to 22%. Australia Tower Network will acquire telecom tower operator Axicom for \$2.7 billion. Ontario Teachers' Pension Plan will invest up to \$1 billion to fund the development of up to nine gigawatts of offshore wind projects through its joint venture with Corio Generation.

AUM involved in M&A transactions \$ millions



Overviews of the four largest transactions by AUM (\$ amounts in millions unless otherwise stated)

Target: Brookfield Asset Management

Acquirer: N/A

Deal type: Spinoff

Percentage sought: 25%

AUM: \$725,000

Price: NA

Summary: Brookfield Asset Management decided to publicly list 25% of its \$725 billion asset management business with an estimated IPO market value of \$80 billion. Two entities will hold fee-generating assets and nonproprietary assets separately.

Target: Voya Investment Management

Acquirer: Allianz Global Investors

Deal type: Acquisition

Percentage sought: 24%

AUM: \$370,000

Price: N/A

Summary: To form a long-term strategic partnership with Voya, AllianzGI has agreed to transfer its U.S. investment management business to Voya, boosting its AUM to \$370 billion, and AllianzGI will acquire up to a 24% stake in Voya Investment Management.

Target: CI Financial

Acquirer: N/A

Deal type: IPO

Percentage sought: 20%

AUM: \$133,000

Price: N/A

Summary: CI Financial announced its plan to sell up to 20% of its \$133 billion U.S. wealth management business via IPO. CI Financial has acquired 23 wealth managers and believes that a high valuation via a U.S.-listed subsidiary IPO can better create value for its shareholders.

Target: Allianz Global Investors

Acquirer: Voya Investment Management

Deal type: Acquisition

Percentage sought: NA

AUM: \$120,000

Price: NA

Summary: Allianz Global Investors settled SEC charges over its Structured Alpha funds and was banned from providing advisory services in the U.S. for 10 years. Voya Investment Management announced its plan to acquire most of AllianzGI's \$120 billion U.S. investment management business.